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## ***GOVERNOR CALLS BUDGET A 'WIN' FOR ARIZONA*** ***Signs FY 2007 Budget Into Law***

PHOENIX – Governor Janet Napolitano today signed a package of 2007 budget bills that provide funding for voluntary full-day kindergarten, pay raises for teachers, tax cuts for Arizona's working families and money to ease traffic congestion by expediting transportation projects.

The budget for fiscal year 2007, which begins July 1st, is the work of both the Governor and the legislature. Negotiations on the final package ended late last week, and the result is a package that keeps Arizona safe, strong and prosperous. Highlights include:

### **Education: Voluntary Full Day Kindergarten**

The measure provides an additional \$160 million toward completing the phase-in of voluntary full-day kindergarten at all Arizona schools over the next two years. Upon full implementation, the program will give parents a choice of half- or full-day classes for their children throughout the state. Thousands of families are already benefiting from this option.

### **Education: Teacher Pay**

The budget provides \$100 million in funds to boost the pay of teachers throughout the state.

### **Education: Universities**

The budget includes funds to preserve the quality of Arizona's university system.

### **Tax Relief**

There will be \$370 million in income and property tax relief in FY 2007, to ease the tax burden on Arizona families and businesses and to help grow the economy.

### **Fiscal Responsibility**

The budget enables the state to repay its debts and put money away in a "rainy day" fund, to cushion the blow in tough economic times.

### **Transportation**

As Arizona grows, the need for better transportation systems and commute options increases. The measure signed by the Governor today includes \$307 million to expedite transportation projects to enable Arizonans to travel across the state more efficiently.

### **Border Security**

The federal government recently committed a total of \$1.9 billion to assist Border States with security and immigration enforcement. The budget signed today includes an additional \$18.3 million for enforcement of state laws related to immigration. \$17 million of the total is directed to the Arizona Department of Public Safety for interdiction of human smuggling; \$1.3 million goes to the Attorney General for prosecution of immigration-related state crimes.

### **Innovation**

To better prepare Arizona for a strong economic future, the budget allocates \$35 million in new funding to foster innovation, science and research in the state. The high-tech industry is rapidly growing in our state, and investment in these sectors is critical to ensuring that Arizona remains an attractive location for these businesses to relocate, start or expand here.

“This budget is the result of intense discussion and negotiation,” said Gov. Napolitano. “I want to thank the members of the Arizona legislature for hard work to come up with a balanced, fiscally responsible budget. We’ve produced a budget that pays off our debts, provides tax relief to families and invests in Arizona’s future.”

Additionally, the budget provides funds to:

- Crack down on methamphetamine
- Care for seniors
- Continue the CPS reforms initiated in 2003
- Bring the state’s savings account (the “rainy day” fund) to \$639 million, the maximum allowable under the law.

The budget also provides \$11.5 million for Arizona veterans. The money will pay for a veterans’ home in Southern Arizona and for more Veterans Benefits Counselors – as well as outreach efforts – to ensure veterans receive all the federal benefits they deserve.

The budget includes the pay raise for all state employees that was passed by the legislature and signed into law by the Governor in January.

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